

TENNESSEE CRAFT

BOARD MEETING MINUTES

Saturday, November 9, 2013

CALL TO ORDER:

The meeting was called to order by President Tim Hintz at the offices of KraftCPA, in Nashville TN at 10:25 AM.

Prior to the official opening of the meeting, President Tim Hintz had recognized Alf Sharp, Chery Cratty, Richard Dwyer, and Tim Pace, whose terms of office as Board members were expiring at the end of this calendar year. He acknowledged their service to the Board and to TACA in a brief statement of the specific talents and contributions each had made during their respective tenure.

The following members answered the Roll Call: Tim Hintz, Paula Bowers-Hotvedt, Kim Winkle, Dick McGee, Morgan Keel, Pat Moody, Reneau Dubberley, Diane Hayes, Bill Heim, Jim Hoobler, Jane Ann McCollough, Alf Sharp, Chery Cratty, Wright Pillow, Tim Pace, and Laurel Sprague. Anderson Bailey was represented by Lolly Durant. Doug Elkins, Ben Hopper, Donna Branch, and Richard Dwyer were absent with an approved excuse. Teri Alea was present from the staff, and Board Intern Natalie Cuicchi was also present.

MINUTES of August 10, 2013 BOARD MEETING:

The minutes had been previously reviewed and accepted by the Executive Committee and had been published on the website. When presented for approval by the entire Board, there were no additions or corrections. Jim Hoobler moved to approve the Minutes; Alf Sharp seconded the motion. *The motion passed; the minutes of the Aug. 10, 2013 meeting were approved as published.*

POINT OF INFORMATION:

Paula Bowers-Hotvedt requested clarification on the replacement of committee members who were Board members. She asked if it was required that they be replaced on the committee by other Board members. After brief discussion it was deemed necessary to confer on this issue with the Board Development Committee.

PRESIDENT'S REPORT:

Tim Hintz began his report by announcing the results of the Nominating Committee's work on preparing a slate of new Board Members for the upcoming election by the membership. The ballot will contain the names of seven persons nominated for Member-At Large positions. These include:

Two new Board members:

1. David Fox, owner of Copper Fox Gallery in Leiper's Fork, TN
2. Natalie Cuicchi, who has been serving as an Intern assigned to the TACA Board.

Three current Board members who are being nominated to return for a second term:

1. Diane Hayes, current chair of the Board Development Committee
2. Jane Ann McCullough, currently advising Teri on creating and using the Advisory Council.

Two current Board members who have been serving as appointees, but have not previously been elected by the membership

1. Doug Elkins
2. Ben Hopper

After presenting the slate, Tim asked for a Vote to Approve the Nominating Committee Report. The members present cast a unanimous "yea" vote, and the proposed slate was accepted for the upcoming ballot. Tim further commented that other prospects are being considered by the Board Development Committee with special focus on recruiting a person who could serve as Treasurer since Morganne Keel's term is also expiring.

Tim's President's Report was submitted to the members prior to the meeting. It reviewed recent considerations by the Executive Committee. These included a personnel review of Teri's excellent work record and job performance, a gift to the Akira Blount Memorial Fund, and a proposed reciprocal agreement with Kentucky Crafted for booths at each other's fairs. The question of producing an annual show in Chattanooga was considered briefly and tabled pending extensive research needed on the issue.

EXECUTIVE DIRECTOR'S REPORT:

Teri's Executive Directors report had been previously submitted to the members, so she briefly commented on some of the highlights of that report.

1. The Annual Audit has been completed, and there were no problems noted. We have added more than \$60,000 to our assets in the past year.
2. The office is moving to new space across the driveway from our present site. The rent will be the same, but there will be a few amenities lost. We expect the property owner to pay the costs of the move since it is for their convenience.
3. Membership renewal begins next week.
4. An enhancement to the website will include a new database to the backside of the website so that cash transactions from members and donors that are made directly online will be recorded automatically without manual data entry.
5. The necessary paperwork to record our "*doing business as*" with the Secretary of State's office is being completed, and will be filed soon.

Following this review, Teri introduced two issues which she currently has under consideration and asked for Board input and advice. The first of these relates to membership levels and fees in the organization. The Member Dues structure is being revised to: Student

Member \$25; Regular Member \$50; Two artists as same address. \$75; and Business Members, \$100. Teri is considering a new level, “green membership” for other non-profits. It would be a free membership (\$0.00) to increase communication and participation with our non-profit partners in the art community. If adopted, this action might result in a loss of revenue of \$350 to \$400 annually. In the discussion that followed the primary concern was “Who are our non-profit partners?” Teri has a list of all art organizations, and the chapters are aware of those in their own region. Some of them might become donors or sponsors. Should they become members? We have previously had Patron and Donor membership levels, but they were rarely subscribed. These “Green” members would receive donor communications and e-news, but not the regular member communications.

Reneau moved to create a Partner Membership category that would be free to other non-profits *by invitation only*.” Paula seconded the motion. In the discussion that followed it was the consensus of the Board that some carefully constructed guidelines were necessary, and the connotation of terms like “affiliate”, and “partner” should be carefully considered. Reneau moved to Table his motion for later consideration. Pat seconded the Tabling motion, and it passed. The original motion was Tabled. There was an offer from the Membership Committee to take the idea under consideration, and present a recommendation at a later meeting of the Board.

Secondly, Teri asked the Board members to consider the question: “What are some things we could do if we had a sponsor organization willing to support us?” This topic will (hopefully) require an active response from us, and we should be ready to come up with some considered ideas. The question was intended to provoke thought, rather than to initiate a conversation at this meeting.

As a part of her report, Teri reviewed the steps taken to design and select a new logo for Tennessee Craft, for letterheads, brochures, and other places where logos are normally appropriate. She presented a slide show that depicted the process of evaluating working designs produced by K2Forma, a local design firm consulted by the staff. The desired characteristics included the suggestion of “being handmade, or built” and containing only the words Tennessee Craft. A recent design that meets these criteria is being has been adopted, and will be a greenish-gray color.

The current plan is to publish the new logo as part of the public roll out of the new Tennessee Craft Brand in early February in connection with the winter Board Meeting and Retreat.

ADVISORY COUNCIL MEMBERSHIP

Jane Ann McCullough distributed a copy of the current Advisory Council membership. In addition to Teri and Jane Ann, the Council includes five persons who have been active supporters of TACA over the years (Alice Merritt, Walter and Mary Schatz, and Bill and April Mullins). Seven other persons were selected based on their interests, resources, and professional backgrounds.

TREASURER’S REPORT

Morganne Keel reviewed the Financial Reports for the period July 1, 2012 through September 30, 2013. These reports had been previously distributed to each Board member. She highlighted the following important results from the Balance Sheet for the period:

Total Cash Accounts	\$ 227.0K	Accounts Payable	\$ 13.8K
Grant Funds Receivable	\$ 50.1K	Total Liabilities	\$ 64.1K
Total Assets	\$ 281.5K	Total Equity	\$ 217.3K
		Total Liability/Equity	\$ 281.5K

Morganne reviewed the Profit and Loss Statement, without Chapter Accounts.

Total Income:	\$ 119.3 K;	109.8% of Budget
Total Expenses:	\$ 98.9 K;	99.7% of Budget
Net Ordinary Income	\$ 20.4 K;	216.1% of Budget

Morganne had also prepared and distributed a narrative in which she discussed individual line items that showed significant variances from the current budget, and explained the cause for each one. She noted that the Net Income increase is due largely to the Nissan “Leaf” donation.

The Green Bank, which currently holds our \$ 95 K operating cash account, offers no incentive for using their service. By contrast there is an incentive to move to the 1st Tennessee Bank because of their public support for the arts. This move is under consideration.

Reneau moved the acceptance of the Treasurer’s Report. Diane seconded the motion. It passed without discussion.

Reneau introduced a discussion of approving the annual budget at the February meeting of the Board since the previous May meeting has been reset in June because of the Spring Fair. Tentative budgets are given temporary approval by the Executive Committee in February to comply with the governmental grant applications calendar. Reneau moved that February be set as the date for approval of the Annual Budget, with amendments to be made prior to July 1 if adjustments are needed. There was no second to the motion, consequently it died without a vote. Morganne commented that writing and approving a final Annual Budget in June has the advantage of having nearly all of the current year financial data in hand to guide the process.

The discussion on finances concluded with comments from Pat Moody that praised Teri’s leadership in bringing the organization into a new and healthy financial condition. The Board responded with a round of applause.

THE STRATEGIC PLAN: REVIEW OF ACTION AND PROGRESS TO DATE

As Chair of the Board Development Committee, Diane Hayes had prepared an analysis of activity and results under each of the five major goals of the Three Year Plan. She went through each goal and listed the accomplishments to date, those actions still being implemented, and noted a few that are still being planned and developed. She discussed each of the areas: Board Diversity, Branding, Fund Raising, Membership, and Marketing Opportunities. This detailed report was submitted for the record prior to the meeting.

[The Board Meeting went into recess for lunch prior to continuing with business.]

COMMITTEE REPORTS

Fundraising Committee: Kim Winkle , Chair, complimented the Board members collectively for having adopted a “fundraising mindset” as evidenced by the fact that the Annual Giving Campaign had already reached \$7,500 of the \$15,000 budgeted goal for the year. She discussed the importance of continuing to create and develop relationships with donors in the community and among our customer/collectors. Reneau presented a report on his work researching the sources of income to TACA over the past six years. He presented a graph which tracked illustrated income from donations, earned income, memberships, and other sources compared to annual expenses over the six years. A second graph depicted income from donations divided by government grants, corporations, foundations, annual giving campaign, individual and chapter donations, and in kind donations.

Following a brief discussion of Reneau’s research, Pat Moody moved that the remainder of the Committee Reports and the Chapter Reports be placed on the Consent Agenda. Kim Winkle seconded the motion and it passed unanimously. It was noted that all of the committees and chapters had pre-filed reports which were recorded in the office.

OLD BUSINESS

Teri announced that she had been advised by the members of TACA-West that the chapter intended to declare itself in inactive status. This raises the question of what to do with the funds on deposit in the TACA-West checking account. The balance of this account was \$2,284 on September 30th. Suggestions made by the TACA-West members were discussed. These included:

- Crediting the funds to the TACA Bridge program
- Distributing the cash among the other chapters who had contributed start-up money when TACA-West was established.

During the time TACA-West remains inactive, chapter members could affiliate with other chapters, (MACA or CV-TACA) which would receive their per capita rebate.

Reneau moved that the funds be returned to the General Fund. Kim seconded the motion, which passed unanimously.

NEW BUSINESS

New Chapter Names: Teri introduced the question of how the chapters should be named to clarify our new “doing business as Tennessee Craft” brand with state-wide consistency. Several wanted to keep their current designation intact, while two suggested regional names and two suggested city-based names. However, this approach did not pass the consistency test, nor was it recommended by marketing consultants. A lively and in-depth discussion followed during which a list of new chapter names was developed, using geographical designators:

- CAST would become the SOUTHEAST Chapter

- Cumberland Valley would become the MIDSTATE Chapter
- Highland Rim would become the PLATEAU Chapter
- MACA would become the SOUTHWEST Chapter
- State of Franklin would become the NORTHEAST Chapter
- Unaka Valley would become the EAST Chapter
- TACA West would become the MIDWEST Chapter

Jim Hoobler moved that this list be adopted and rename the chapters accordingly. Kim seconded the motion. The motion passed with three dissenting votes.

The Annual Board Retreat: Tim announced that the Retreat this year will be held in Nashville on February 8th and 9th, with the winter Board meeting on Sunday, February 10th. She asked for volunteers to form an *ad hoc* planning committee for the retreat. Diane Hayes volunteered to chair the committee, and Kim, Natalie, and Pat agreed to serve.

The 2014 Biennial – Best of Tennessee Craft: Teri announced that after extensive search, there is no suitable venue available for 2014, so the next Biennial will be planned for 2015, and will probably reference the 50th Anniversary of the founding of TACA. Tim's request for Biennial Committee members resulted in offers from Jim Hoobler, Alf Sharp, and Wright Pillow. A Chair for the committee is yet to be appointed.

New Format for Board Meetings: Teri suggested that beginning with the June meeting we change the practice of breaking for lunch at meetings to one where we work quickly through the noon hour, then have lunch as a group somewhere that might offer more potential for socializing. A brief discussion revealed that there was little interest in this idea, and it was dropped.

ADJOURNMENT

There being no further business, Paula moved that the meeting be adjourned. Natalie seconded the motion, which passed without discussion. *The meeting was adjourned at 1:32 pm until the February 10, 2014 meeting in Nashville.*

Respectively submitted:
Richard K. McGee
Secretary